

Centre plans crop insurance scheme for small tea growers

The Centre is planning to roll out a crop insurance scheme for small tea growers. Initially, a pilot will be run in three regions in Assam, West Bengal and Tamil Nadu for one crop-cycle spread over two years commencing 2016-17.

The Tea Board would be the nodal agency for the scheme and the cost will be shared between the Centre, the state governments and the growers in the ratio of 75:15:10. However, the growers would have to pick up the state government's tab in case the government declines to contribute its share.

The scheme aims to protect growers from anticipated losses in revenue caused by drop in international/domestic prices, yield loss due to adverse weather or pest attacks or any other reason beyond human control. The Tea Board, which has invited bids from insurance companies for the project, said there are 57,355 small growers in the targeted districts. During the pilot period, the scheme would benefit these growers, covering about 44,223.6 hectares of plantation area. Large growers can also join the scheme, but will have to pay the entire premium.

The three regions where the scheme is proposed to be run as a pilot are Golaghat (Assam), Jalpaiguri (West Bengal) and Coonoor (Tamil Nadu) for the crop cycle of March to November for two consecutive years, Tea Board sources said.

The small tea growers, who are now an emerging force in the Indian tea industry (accounting for more than 35 per cent of the production), have suffered crop damage due to hail storms, excess rainfall and pest attacks. "There has been a massive crop loss ranging between 30 and 50 per cent due to these factors," said Bijoy Kumar Chakravarty, president of the Confederation of Indian Small Tea Growers Association.

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